

Amendment No. 2 to SB1452

McNally  
Signature of Sponsor

**AMEND Senate Bill No. 1452\***

**House Bill No. 1959**

By deleting subsection (a) of Section 5, as amended, and by substituting instead the following language:

(a) The authority shall have a board of directors in which all powers of the authority shall be vested. Such board shall consist of any number of directors, no fewer than (5). The creating municipality or municipalities are authorized to establish the qualifications for the board members, which may include the number of board members that must be qualified voters, taxpayers, property owners or residents.

AND FURTHER AMEND by deleting the first sentence of subsection (d)(1) of Section 5, as amended, and by substituting instead the following language:

The creating municipality or municipalities shall establish the term of office of each director of the authority, provided that any director shall continue to serve beyond the end of the director's term until the director's successor has been appointed.

AND FURTHER AMEND by deleting subdivision (c)(3) from Section 3 and by substituting instead the following language:

(3) "Municipality" means any municipality or county incorporated or existing under the laws of Tennessee, or any combination of any municipality or county incorporated or existing under the laws of Tennessee; provided that such term does not mean nor include any county having a population of over nine hundred thousand (900,000) according to the 2010 federal census or any subsequent federal census or any municipality located within such county;

AND FURTHER AMEND by deleting subdivision (a)(2)(B) from Section 3 and by substituting instead the following language:

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(B) The authority and all properties at any time owned by it, and the income and revenues from such properties, and all bonds issued by the authority, and the income from the bonds, shall be exempt from all state, county and municipal taxation except for inheritance, transfer and estate taxes, and except as otherwise provided in this code.

AND FURTHER AMEND by deleting the language "by a pledge of the tax revenues allocable to the authority" from subsection (e)(2) of Section 12 and by substituting instead the language "by a pledge of the tax revenues by general law or private act allocable to the authority".

AND FURTHER AMEND by deleting the last two sentences of Section 6 and by substituting instead the following language:

The board may participate by electronic or other means of communication for the benefit of the public and the board in connection with any meeting authorized by law. To the extent the such participation occurs, the provisions of § 8-44-108 shall apply.

AND FURTHER AMEND by deleting Section 7 and by substituting instead the following language:

SECTION 7. All meetings of the board of directors are declared to be public meetings open to the public pursuant to title 8, chapter 44, part 1.

AND FURTHER AMEND by deleting Section 10 in its entirety and by substituting instead the following language:

(a) The board of directors of each authority shall cause an annual audit to be made of the books and records of the authority. With prior approval of the comptroller of the treasury, the audit may be performed by a licensed certified public accountant selected by the authority. If a licensed certified public accountant is employed, the audit contract between the authority and the licensed certified public accountant shall be on

contract forms prescribed by the comptroller of the treasury. The cost of any audit shall be paid by the authority. The comptroller of the treasury, through the department of audit, shall be responsible for determining that the audits are prepared in accordance with generally accepted government auditing standards and that the audits meet the minimum standards prescribed by the comptroller of the treasury.

(b) In the event the governing body of the authority fails or refuses to have the audit prepared, then the comptroller of the treasury may appoint a licensed certified public accountant, or direct the department of audit, to prepare the audit, the cost of the audit to be paid by the authority.

(c) Each authority shall prepare an annual report of its business affairs and transactions. A copy of such report and a copy of the annual audit referenced in subsection (a) shall be filed annually with the governing body of the municipality granting permission to the authority to organize.

(d) Before the commencement of each fiscal year, each authority shall adopt a budget for such fiscal year and file such budget with the municipality granting permission to the authority to organize.